

## REMARKS

This amendment is responsive to the Office Action dated January 16, 2003. In the application, claims 1 - 11 are pending and each claim stands rejected by the Office Action as unpatentable in view of a combination of three to four references cited by the Office Action. Applicant has carefully studied the arguments presented in the Office Action and submit that the rejections of the pending claims do not set forth a prima facie case of obviousness. Applicant respectfully requests reconsideration of the pending claims in view of the remarks presented below.

### A Prima Facie Case of Obviousness Requires Three Showings by the Office

MPEP §706.02(j) establishes the necessary criteria for rejecting a claim under 35 U.S.C. §103:

"To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine the reference teachings. . . . Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure." (emphasis added)

It is respectfully submitted that in rejecting the applicant's claims for obviousness, the Office Action has attempted to identify references that each teach one or more of the claimed elements, but in combining the references the Office Action has not proffered a motivation to combine the references from the prior art, but rather appears to have

borrowed the motivation to combine from the Applicant's disclosure. The absence of a proper and verifiable motivation to combine has been held by the Federal Circuit to conclusively resolve an obviousness rejection. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1579 (Fed. Cir. 1997) ("absence of a suggestion to combine is dispositive of an obviousness determination").

### Claim 1

Claim 1 is directed to a method for counting tickets, and includes steps of providing a translucent ticket with an opaque pattern, providing a light source and detector on opposite sides of the translucent ticket, moving the ticket relative to the detector and detecting the opaque pattern. It should be recognized that the specification of the present invention sets forth as a benefit of the present invention the possible elimination of the notch between the tickets, where the notch can lead to jamming as well as inconsistent detection.

In rejecting Claim 1, the Office action relies on the patents to Horniak, Berler, and Goodman. Horniak is a ticket counter that relies on a notch for detection, and is essentially the type of prior art ticket counter that the present invention is designed to replace. Horniak has all of the shortcomings described in the specification, and the Office Action specifically recognizes that Horniak "fails to teach providing a translucent ticket with an opaque pattern providing translucent portions, providing a light source on a first side of the ticket, providing a detector on a second side of the ticket and detecting the pattern and translucent portions with the detector." [Office Action, p.2]. Thus, all five steps of claim 1 are conceded by the Office Action to be missing from the Horniak reference. *Id.* At most, Horniak can be offered for the proposition that a ticket counting machine was not novel, but otherwise Horniak offers nothing substantial to the analysis of the present claim.

The Office Action cites to Berler to overcome the shortcomings of Horniak, stating that Berler teaches a translucent ticket with coded information. After describing

Berler, the Office Action then states that it would have been obvious to combine Horniak with Berler "to determine the pattern printed on the ticket and detect invalid tickets to prevent fraud or unauthorized reuse of tickets." [Office Action, p.3]. Applicant respectfully submits that the rationale for combining the references is improper for several reasons. First, Horniak does not teach printing a pattern on the ticket so it not clear why it would be obvious to incorporate the teachings of Berler to read a pattern that does not already exist, and said pattern would be unnecessary and redundant since Horniak already possessed a system for counting tickets using the light and notch described in the specification of the present invention. There are no shortcomings or pitfalls discussed in Horniak or Berler that would impel such a modification, but rather such motivation presumptively comes from the Applicant's disclosure. Because the proposed modification would be redundant with the existing Horniak ticket counting system and there is no suggestion identified in the art for replacing the existing system except the Applicant's disclosure, Applicant respectfully submits that the only explanation for combining the references is hindsight relying on the Applicant's teachings.

Second, the Office Action continues that the proposed modification (using Berler's fluorescent ink and filter technology in combination with Horniak's ticker reader) would prevent fraud or unauthorized reuse of tickets. However, there is nothing in the Berler disclosure or the other cited art that would support this statement or suggest this modification. Berler is directed to a code reading apparatus that addresses the problem of punch cards regarding improper feeding. Nothing is mentioned in Berler regarding fraud or unauthorized ticket use. However, Applicant's disclosure teaches that the present invention determines if the counted ticket is legitimate and provides means for preventing reuse. [Specification, p. 9]. Thus, the Office Action has taken the Applicant's disclosure and applied its teachings against the Applicant.

The Office Action also fails to appreciate the complexity of the Berler apparatus in proposing its combination with Horniak to achieve the present invention. Berler employs

a fluorescent ink having a pigment that "must be the kind which will fluoresce the selected color for the optical sensor." [Berler, Col. 3 ll. 29-31]. To employ the reading function described in Berler requires a filtering layer be incorporated into the ticket, where the filtering layer coincides with the wavelengths read by the optical sensor. To incorporate arcade tickets with such a filter would be extremely cost prohibitive and frustrate a main goal of the present invention, which is to reduce ticket printing costs. In sum, the only articulated motivation to combine the references cannot be found in the prior art references as required by MPEP §706.02(j), but rather from the Applicant's disclosure. For this reason, it is respectfully submitted that a prima facie case of obviousness has not be established by the Office Action.

The Office Action recognized that its proposed combination of Berler and Horniak still did not establish an obviousness rejection of Claim 1, and sought to introduce the teachings of Goodman to overcome the shortcomings of the proposed combination. The Office Action states that Goodman teaches an opaque pattern on a translucent substrate, and then concludes that its earlier proposed combination of Berler and Horniak would benefit from the teachings of Goodman "because it enhances the projection of the pattern, which leads to a more precise reading of the pattern on the ticket." [Office Action, p. 3]. Applicant respectfully submits that the proposed modification cannot reasonably be suggested from the prior art because the teachings of Goodman are wholly inapplicable to either Berler or Horniak. As stated before, Horniak counts tickets using the light and notch, and does not teach a pattern recognition nor is there any rationale for implementing a pattern on the Horniak ticket. Except for the Applicant's disclosure, there is nothing cited by the Office Action that identifies where in the prior art a motivation exists to replace the notch counting system of Horniak with a pattern reading system. Moreover, Berler uses a fluorescent ink to resolve misfeeding issues, and incorporating an opaque pattern of Goodman would frustrate the entire invention of Berler and eviscerate its benefits and objectives. Accordingly, the rejection must be found to have been based on improper hindsight relying on the Applicant's teachings since there is no

objective evidence cited by the Office Action supporting the proposed combination of Berler, Horniak, and Goodman to arrive at the invention claimed in Claim 1.

### Claim 2

The rejection of Claim 2 incorporates the rejection of Claim 1 therein, and further seeks to introduce the teachings of Paup et al. to further modify the tripartite proposed combination. The original rejection of Claim 1 has respectfully submitted to be improper as discussed above, and the incorporation of Paup (a check processing machine) steers the Office Action's analysis further off track. Simply stated, there is no teaching or suggestion in any of the cited references to incorporate the Paup et al teachings into the Horniak/Berler/Goodman hypothetical combination, and the Office Action offers no teachings from the prior art. Instead, the Office Action states that incorporating the teachings of Paup would provide a verifying means, as well as counting total verified and non-verified tickets. [Office Action, p. 4]. Yet the only discussion of counting verified and non-verified tickets is in the Applicant's disclosure and not the cited art. Thus, the motivation to combine the references has improperly relied upon the Applicant's disclosure rather than an existing suggestion or motivation in the prior art, and the applicant's invention of Claim 2 is not obvious for this reason.

### Claim 3

The Office Action rejected Claim 3 based upon the familiar combination of Horniak and Berler as discussed above, in further combination with Wiklof. Once again, the Office Action concludes that it would have been obvious to combine Berler and Wiklof with Horniak "in order to determine the pattern printed on the ticket and detect invalid tickets to prevent fraud or unauthorized reuse of tickets." [Office Action, p. 5]. In essence, the Office Action starts with the prior art ticket counter of Horniak that the present invention is designed to be an improvement over (replacing the light and notch system with a translucent pattern and optical sensor), and then using the benefits described in the Applicant's disclosure the Office Action justifies the picking and

choosing of selected features and elements of other systems. As discussed above, the Office Action's purported motivation to combine the cited references cannot be found in the prior art themselves - Berler is concerned with proper orientation of the substrate, not fraud and ticket misuse - but rather the entire motivation to combine the references comes from the teachings of the Applicant. Moreover, the proposed combinations are illogical and do not account for the realities of their respective environment. For example, it would be unrealistic to use the fluorescent ink and filter system of Berler in an arcade ticket counting machine, where the only function of the ticket is to serve as a redemption token. The cost and complexity of such a system is not found in arcade ticket counting machines, and its expense would not justify any potential benefits that would result.

At its basic level, the Office Action's proposed combination of Berler and Horniak lacks a missing link between Horniak, which does not rely on an imprinted pattern but rather a void ("notch") between tickets, to Berler which employs fluorescent ink to resolve orientation issues. There is no objective evidence provided to establish a concrete link between the two references such that one would find their proposed combination "obvious." It is asserted that the only link is the Applicant's disclosure, which may not be relied upon to support a combination of prior art references. Because each asserted rejection relies upon the combination of Berler and Horniak, and because such combination has not been shown to establish the criteria for a *prima facie* case of obviousness, Applicant respectfully submit that the claims are not obvious and are, in fact, patentable over the cited art.

### Claim 9

Claim 9 is a method claim that includes four steps. In rejection Claim 9, the Office Action relies upon the teaching of four references: "Brunn/Berler/Goodman/Kuze." The Office Action apparently identifies Brunn as the primary reference, and then proceeds to admit that Brunn fails to teach three of the four steps identified in Claim 9. [Office Action, p. 7]. Berler and Goodman are incorporated

by the Office Action to add translucent paper and opaque patterns, without any explanation as to why one of skill in the art, beginning with Brunn's ticket printer, would then choose to substitute Berler's translucent paper or, assuming the adoption of translucent paper, why said one of skill in the art would then abandon the fluorescent ink teachings of Berler's for Goodman's opaque pattern. Clearly there is no such teachings in the references themselves, and the Office Action offers no objective evidence that would show that the combination - without any knowledge of the Applicant's disclosure - would have been an obvious combination to one of ordinary skill. Again, it is submitted that the only manifest suggestion to select the cited references comes not from a pre-existing motivation in the art, but rather is a product of a hindsight approach to recreate the Applicant's invention using the benefits so developed as the sole rationale. This approach is clearly inimical to the standards and procedures established and controlled by the Federal Circuit Court of Appeals and embodied in the Manual of Patent Examination Procedures.

The Office Action's explanation for incorporating the teachings of Kuze also lack any support in the prior art, and add to the impropriety of the existing proposed combinations. Kuze, the Office Action argues, "discloses a sheet bearing lines printed with non-opaque ink." [Office Action, p. 8]. Nothing else is reported about Kuze except the use of non-opaque ink lines on a sheet. The Office Action then concludes that it would have been obvious to incorporate these lines into the Brunn/Berler/Goodman hypothetical combination "so that the opaque pattern is not visible to the human eye and prevents individual from noticing the opaque pattern. Such modification may help the authorities to identify certain individuals having tickets without an opaque pattern, whom may be a producer of fake tickets." [Office Action, p. 8]. Such speculation on the examiner's part is not objective evidence of a motivation to combine, but rather a post hoc reason justifying the original improper combination. The proposed combination clearly lacks a pre-existing, objective teaching or suggestion in the art that would lead on of ordinary skill in the art to recreate the combination independent of the Applicant's

disclosure. No such pre-existing suggestion has been established, and the rejections are clearly improper.


**Claim 10**

Claim 10 adds a fifth step to the method of Claim 9, and the Office Action incorporates a fifth reference in rejecting the claim. As with the previous discussion in connection with Claim 9, the rejection of Claim 10 lacks any coherent and objectively systematic approach that can be discerned from the teachings of the prior art. Instead, the Office Action has set upon a course to identify steps or elements in Applicant's claims, and then collect references as necessary to show that the individual steps or elements are not novel. In most cases, the rationale for incorporating each successive reference relies upon the teachings and disclosure of the Applicant. Applicant respectfully submits that each rejection of Claims 1 - 11 improperly fails to consider the entire teachings of the selected prior art references and what they would suggest to one of ordinary skill in the art, without the benefit of the Applicant's disclosure.

In view of the foregoing, Applicant submits that Claims 1 - 11 are patentable and not obvious over the art of record. As such, Applicant would appreciate early notification that said claims have been allowed and the application passed to allowance. If the examiner believes that a telephone conference could further the prosecution of the application, the examiner is invited to contact the undersigned at the number below.

Respectfully submitted,

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